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If you have sold or transferred all your shares in the Company, you should at once hand this circular, together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is addressed to the shareholders of the Company in connection with an extraordinary general meeting of the Company to be held on 22 May 2015. This circular is not and does not constitute an offer of, nor is it intended to invite offers for, shares in or other securities of the Company.

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20 years, young HC!

HC INTERNATIONAL, INC.

慧聰網有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2280)

ADOPTION OF SHARE OPTION SCHEME

Terms used in this cover page have the same meanings as defined in this circular.

A notice convening the EGM to be held at Tower B, Jingyi Technical Building, No. 9 Dazhongsi East Road, Haidian District, Beijing 100098, the PRC on 22 May 2015 at 5:00 p.m. or immediately after the conclusion of its annual general meeting scheduled to be held on 22 May 2015 at 4:00 p.m. is set out on pages 22 to 23 of this circular. Whether or not you are able to attend the meeting in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting should you so wish.

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“Adoption Date”	the date on which the Share Option Scheme is conditionally adopted by the Shareholders
“Auditors”	the auditors for the time being of the Company
“Board”	the board of the Directors
“business day”	any day on which the Stock Exchange is open for the business of dealing in securities
“chief executive”	has the meanings ascribed to it under the Listing Rules
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Companies Law”	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented and/or otherwise modified from time to time
“Company”	HC International, Inc., an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at Tower B, Jingyi Technical Building, No. 9 Dazhongsi East Road, Haidian District, Beijing 100098, the People’s Republic of China on 22 May 2015 at 5:00 p.m. or immediately after the conclusion of its annual general meeting scheduled to be held on 22 May 2015 at 4:00 p.m. for the purpose of considering and approving the adoption of the Share Option Scheme
“Financial Adviser”	an independent financial adviser of the Company

DEFINITIONS

“Grantee”	any Participant who accepts an offer of the grant of Option in accordance with the terms of the Share Option Scheme, or (when the context so permits), a person entitled to any such Option in consequence of the death of the original Grantee or the legal personal representative(s) of such person
“Group”	the Company and any entity in which the Company directly or indirectly holds any equity interest
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	30 April 2015, being the latest practicable date prior to the printing of this circular for inclusion of certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	the offer of the grant of an Option made in accordance with the Share Option Scheme
“Offer Date”	the date on which an Option is offered to a Participant
“Option”	an option to subscribe for Shares granted and accepted pursuant to the Share Option Scheme and for the time being subsisting
“Option Period”	the period for the exercise of an Option to be notified by the Board to the Grantee in the Offer, but in any event shall not exceed 10 years from the Offer Date
“Participant”	any person who satisfies the eligibility requirements in the Share Option Scheme namely: (a) any full-time or part-time employee of any member of the Group; or (b) any consultant or adviser of any member of the Group; or (c) any director (including executive, non-executive or independent non-executive directors) of any member of the Group, to be determined absolutely by the Board
“PRC”	the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong, Macau Special Administration Region and Taiwan

DEFINITIONS

“Registrar”	Computershare Hong Kong Investor Services Limited at 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong
“Share Option Scheme”	the Share Option Scheme proposed to be adopted by the Company at the EGM, a summary of the principal terms of which is set out in the Appendix
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of HK\$0.1 each (or of such other nominal amount of the shares comprising the ordinary share capital of the Company as shall result from a sub-division or a consideration of such shares from time to time) of the Company
“Shareholder(s)”	holder(s) of the Shares from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option
“Terminated Share Option Scheme”	the share option scheme adopted by the Company by way of shareholders’ resolution on 30 November 2003 and terminated on 10 October 2014
“HK\$”	Hong Kong dollars
“%”	per cent.



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HC INTERNATIONAL, INC.

慧聪网有限公司*

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2280)

Executive Directors:

Mr. Guo Fansheng (*Chairman*)
Mr. Guo Jiang (*Chief Executive Officer*)
Mr. Lee Wee Ong (*Chief Financial Officer*)

Non-executive Directors:

Mr. Li Jianguang
Mr. Guo Wei

Independent non-executive Directors:

Mr. Zhang Ke
Mr. Xiang Bing
Mr. Zhang Tim Tianwei

Registered office:

4th Floor
One Capital Place
PO Box 847
George Town
Grand Cayman
Cayman Islands

Head office and

principal place of business:

Tower B
Jingyi Technical Building
No. 9 Dazhongsi East Road
Haidian District, Beijing 100098
The People's Republic of China

5 May 2015

To the Shareholders,

Dear Sir or Madam,

ADOPTION OF SHARE OPTION SCHEME

1. INTRODUCTION

The purpose of this circular is to give you information on, among other things, adoption of the Share Option Scheme together with a notice convening the EGM.

2. ADOPTION OF SHARE OPTION SCHEME

Following the listing of the Shares being transferred from the Growth Enterprise Market to the Main Board of the Stock Exchange on 10 October 2014, the share option scheme adopted by the Company terminated on 10 October 2014.

* For identification purposes only

LETTER FROM THE BOARD

Notwithstanding the termination of the Terminated Share Option Scheme, the provisions of the Terminated Share Option Scheme remain in force in all other respects of the outstanding share options granted thereunder.

2.1 Outstanding Share Options

As at the Latest Practicable Date, there were 32,291,000 options granted but not yet exercised under the Terminated Share Option Scheme. Such outstanding options under the Terminated Share Option Scheme shall continue to be valid and exercisable in accordance with the Terminated Share Option Scheme.

The Directors confirm that no further options were granted under the Terminated Share Option Scheme after it terminated. As at the Latest Practicable Date, save as disclosed above, the Company has not adopted any share option scheme and no other options were granted under the Terminated Share Option Scheme which were still outstanding.

The Directors proposed to adopt the Share Option Scheme, the principal terms of which are set out in the Appendix. Adoption of the Share Option Scheme is conditional upon (i) the approval of the Share Option Scheme at the EGM; and (ii) the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the options granted under the Share Option Scheme.

Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the options which may be granted up to 10% of the total number of Shares in issue as at the date of the EGM under the Share Option Scheme and any other schemes of the Company. Assuming no new Share will be issued before the date of the EGM, the total number of issued Shares is 667,746,618 and the maximum number of Shares which may be issued upon exercise of all options under the Share Option Scheme is 66,774,661, representing approximately 10% of the issued share capital of the Company as at the Latest Practicable Date.

2.2 Purposes of the Share Option Scheme

The Directors considered that the Share Option Scheme, which will be valid for 10 years from the date of its adoption, will provide the Company with more flexibility in long term planning of granting of the share options to eligible persons in a longer period in the future. The Share Option Scheme also provides appropriate incentives or rewards to eligible persons for their contributions or potential contributions to the Group. The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants and advisers of the Group and to promote the success of the business of the Group.

LETTER FROM THE BOARD

The Share Option Scheme will give the Participants an opportunity to have a personal stake in the Company and will help achieve the following objectives:

- (a) motivate the Participants to optimize their performance and efficiency; and
- (b) attract and retain the Participants whose contributions are important to the long-term growth and profitability of the Group.

The terms of the Share Option Scheme provide that in granting options under the Share Option Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance criteria to be satisfied before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also have discretion in determining the Subscription Price (subject to the Listing Rules and the terms of the Share Option Scheme) in respect of any Option. The Directors are of the view that the flexibility given to the Directors to impose the minimum period for which the Options have to be held, the performance targets, the Subscription Price and other conditions (if any) that have to be achieved before the Options can be exercised, will place the Group in a better position to attract and retain human resources that are valuable to the growth and development of the Group as a whole.

2.3 Value of the Options

The Directors consider that it is not appropriate to state the value of all Options that can be granted pursuant to the Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the Options as at the Latest Practicable Date will not be meaningful to the Shareholders, taking into account the number of variables (including without limitation the Subscription Price, exercise period, any lockup period and performance targets which the Directors may set under the Share Option Scheme and other relevant variables which are crucial for the calculation of the Option value which have not been determined. In the premises, the Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believed that any calculation of the value of the Options will not be meaningful and may be misleading to the Shareholders in the circumstances.

2.4 Adoption of the Share Option Scheme

A resolution will be proposed at the EGM to approve the adoption of the Share Option Scheme and to grant the general authority to the Directors to grant Options under the Share Option Scheme for the subscription of Shares representing up to 10% of the issued share capital of the Company as at EGM.

LETTER FROM THE BOARD

2.5 Conditions Precedent of the Share Option Scheme

The Share Option Scheme will take effect upon satisfaction of the following conditions:

- (i) the approval by the Shareholders at the EGM; and
- (ii) the Listing Division granting approval for the listing of, and permission to deal in, the Shares to be issued and allotted pursuant to the exercise of the options to be granted under the Share Option Scheme and any other schemes of the Company up to 10% of the Shares in issue as at the date on which the Share Option Scheme is adopted by a resolution of the Company.

Application will be made to the Listing Division for the approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of any Options to be granted under the Share Option Scheme and any other schemes of the Company up to not more than 10% of the Shares in issue as at the date on which the Share Option Scheme is adopted by a resolution of the Company.

On the basis of 667,746,618 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased by the Company prior to the EGM, the maximum number of Shares to be issued upon the exercise of Options that may be granted under the Share Option Scheme and any other schemes of the Company will be 66,774,661 Shares, being not more than 10% of the Shares in issue as at the Latest Practicable Date, should the Share Option Scheme be adopted.

3. EGM

There is set out on pages 22 to 23 of this circular a notice convening the EGM to be held on 22 May 2015 at 5:00 p.m. or immediately after the conclusion of its annual general meeting scheduled to be held on 22 May 2015 at 4:00 p.m. at Tower B, Jingyi Technical Building, No. 9 Dazhongsi East Road, Haidian District, Beijing 100098, the PRC, at which ordinary resolution will be proposed to consider and, if thought fit, to approve the adoption of the Share Option Scheme. No Shareholder has a material interest and is required to abstain from voting for any resolution at the EGM.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the meeting in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as practicable but in any event not less than 48 hours before the time appointed for the holding of the meeting. Completion and return of the accompanying form of proxy will not preclude you from attending and voting at the meeting should you so wish.

LETTER FROM THE BOARD

Shareholders should note that the transfer books and register of members of the Company will be closed from 19 May 2015 to 22 May 2015, both days inclusive, and no transfer of Shares can be registered during such period. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 18 May 2015.

4. RECOMMENDATION

The Directors consider the adoption of the Share Option Scheme is fair and reasonable and in the interests of the Company and the Shareholders as a whole. They recommend Shareholders to vote in favour of the resolution proposed at the EGM.

5. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

6. DOCUMENT AVAILABLE FOR INSPECTION

Copy of the scheme document of the Share Option Scheme is available for inspection during normal business hours on any business day at the principal place of business in Hong Kong of the Company at 18/F, Tesbury Centre, 28 Queen's Road East, Wan Chai, Hong Kong from the date of this circular up to and including the date of EGM and at the venue of the EGM during the EGM.

The English text of this document shall prevail over the Chinese text for the purpose of interpretation in the event of any inconsistency.

By order of the Board
HC International, Inc.
Guo Jiang
Chief Executive Officer and Executive Director

This Appendix summaries the principal terms of the Share Option Scheme but does not form part of, nor is it intended to be, part of the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme.

The following is a summary of the principal terms of the Share Option Scheme which is proposed to be adopted by the Company as a share incentive scheme for the Company at the EGM:

1. CONDITIONS

The Share Option Scheme shall take effect subject to the passing of the necessary resolution to adopt the Share Option Scheme by the Shareholders in general meeting and is conditional upon the Listing Division granting the listing of and permission to deal in any Shares to be issued pursuant to the exercise of any Options under the Share Option Scheme.

2. PURPOSES OF THE SHARE OPTION SCHEME

- 2.01 The Share Option Scheme is a share incentive scheme and is established to recognize, motivate and provide incentives to those who make contributions to the Group. The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, customers, advisers, distributors, contractors, suppliers, agents, business partners or service providers of the Group and to promote the success of the business of the Group.
- 2.02 The Share Option Scheme will give the Participants an opportunity to have a personal stake in the Company and will help achieve the following objectives:
- (a) motivate the Participants to optimise their performance and efficiency; and
 - (b) attract and retain the Participants whose contributions are important to the long-term growth and profitability of the Group.

3. DETERMINATION OF ELIGIBILITY

- 3.01 The Board may, at its absolute discretion, invite any person belonging to any of the following classes of persons of any member of the Group to be a Participant of the Share Option Scheme and to take up an Option to subscribe for Shares:
- (a) any full-time or part-time employee of any member of the Group;
 - (b) any consultant or adviser of any member of the Group;
 - (c) any director (including executive, non-executive or independent non-executive directors) of any member of the Group;

- (d) any substantial shareholder of any member of the Group; and
- (e) any distributor, contractor, supplier, agent, customer, business partner or service provider of any member of the Group.

An Option is personal and shall not be assignable and in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of third party over or in relation to any Option. For the avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or any other securities of the Group to any person who fall within any of the above classes of Participants shall not, by itself, unless the Board otherwise determined, be construed as a grant of Option under the Share Option Scheme.

- 3.02 The basis of eligibility of any Participant to the grant of any Option shall be determined by the Board (or as the case may be, the independent non-executive directors) from time to time on the basis of the Participant's contribution or potential contribution to the development and growth of the Group.

4. DURATION AND ADMINISTRATION

- 4.01 Subject to Clauses 1 and 14, the Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof, after which period no further Options shall be offered or granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted during the life of the Share Option Scheme shall continue to be exercisable in accordance with their terms of grant within the Option Period.
- 4.02 The Share Option Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein and in the absence of manifest error) shall be final and binding on all parties.

5. GRANT OF OPTION

- 5.01 On and subject to the terms of the Share Option Scheme, the Board shall be entitled at any time and from time to time within 10 years after the Adoption Date to make an Offer to any Participant as the Board may in its absolute discretion select, and subject to such conditions as the Board may think fit, which may include a condition that the Grantee shall not dispose of the Shares issued upon exercise of the Option within such period of time or under such conditions as the Board may at its absolute discretion determine, minimum period for which an Option must be held and performance targets that must be achieved before an Option can be exercised, to subscribe during the Option

Period for such number of Shares (being, subject to Clause 13, a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof) as the Board may determine at the Subscription Price provided always that an Offer made to such Participant will not constitute an invitation to the public to subscribe for the Shares under any applicable legislations.

- 5.02 An Offer shall be made to a Participant on a business day in writing in such form as the Board may from time to time determine, requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme and shall remain open for acceptance by the Participant concerned for a period of 7 days from the Offer Date (inclusive of the Offer Date) upon which provided that no such offer shall be open for acceptance after the expiry of the Share Option Scheme (subject to early termination thereof).
- 5.03 An Offer shall be deemed to have been accepted and an Option to which the Offer relates shall be deemed to have been granted and accepted and to have taken effect when a letter in such form as the Board may from time to time determine signifying acceptance of the Option duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within 7 days from the Offer Date (inclusive of the Offer Date). Such remittance shall in no circumstances be refundable.
- 5.04 Any Offer must be accepted in its entirety and can under no circumstances be accepted of less than the number of Shares for which it is offered. To the extent that the Offer of the grant of an Option is not accepted within 7 days in the manner indicated in Clause 5.03, it will be deemed to have been irrevocably rejected by the Participant and the Offer shall lapse and become null and void.
- 5.05 No Offer may be made after any inside information (as defined in the SFO) has come to the knowledge of the Company until such inside information has been announced pursuant to the requirements of the Listing Rules and the SFO. No Option may be granted during the period commencing one month immediately preceding the earlier of:-
- (i) the date of the meeting of the Board (as such date to first be notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the last day on which the Company shall publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

5.06 Further to the restrictions in Clause 5.05, no Option may be granted to a Director on any day on which financial results of the Company are published and:

- (i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and
- (ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

6. SUBSCRIPTION PRICE

The Subscription Price shall be a price determined solely by the Board and notified to a Participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a business day; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date; and (iii) the nominal value of a Share on the Offer Date, provided that in the event of fractional prices, the Subscription Price per Share shall be rounded upwards to the nearest whole cent.

For the purpose of calculating the Subscription Price where the Company has been listed for less than five business days, the issue price of the Shares on the Stock Exchange shall be used as the closing price for any business day falling within the period before listing.

7. EXERCISE OF OPTIONS

- 7.01 An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option (where the Grantee is a company, any change of its major shareholder or any substantial change in its management will be deemed to be a sale or transfer of interest as aforesaid, if so determined by the Board at its sole discretion). Any breach of the foregoing by a Grantee shall entitle the Company to cancel, revoke or terminate any Option granted to such Grantee to the extent not already exercised.
- 7.02 An Option may be exercised in whole or in part in the manner as set out in Clauses 7.03 and 7.04 by the Grantee giving notice in writing to the Company in such form as the Board may from time to time determine stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised (which, except where the number of Shares in respect of which the

Option remains unexercised is less than one board lot or where the Option is exercised in full, must be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice must be accompanied by a remittance for the full amount of the aggregate Subscription Price of the Shares in respect of which the notice is given together with the reasonable administration fee specified by the Company from time to time. Within 28 days after receipt of the notice and the remittance and, where appropriate, receipt of the Auditors' certificate or the confirmation of the Financial Adviser (as the case may be) pursuant to Clause 10, the Company shall issue and allot the relevant Shares, fully paid, to the Grantee.

7.03 Subject as hereinafter provided in the Share Option Scheme, an Option may be exercised by the Grantee at any time during the Option Period provided that:-

- (a) in the event that the Grantee (being an individual) dies before exercising the Option in full, his/her legal personal representative(s) may exercise the Option up to the Grantee's entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his/her death provided that where any of the events set out in Clause 7.03(d), (e) and (f) occurs prior to his/her death or within such 12-month period following his/her death, then his/her legal personal representative(s) may so exercise the Option within such of the various periods respectively set out in such clauses instead of the period referred to in this Clause 7.03(a) and provided further that if within a period of 3 years prior to the Grantee's death, the Grantee had committed any of the acts as specified in Clause 8(d) which would have entitled the Company to terminate his/her employment prior to his/her death, the Board may at any time forthwith terminate the Option of the Grantee (to the extent not already lapsed or exercised) by written notice to his/her legal personal representatives and the Option (to the extent not already exercised) shall lapse on the date of the relevant Board resolution;
- (b) in the event that the Grantee is an employee, a consultant or an adviser of the Group when an Offer is made to him/her and he/she subsequently ceases to be an employee, a consultant or an adviser of the Group for any reason other than (i) his/her death or (ii) the termination of his/her employment on one or more of the grounds specified in Clause 8(d), the Option (to the extent not already lapsed or exercised) shall lapse on the expiry of 3 months after the date of cessation of such employment (which date will be the last actual working day on which the Grantee was physically at work with the Company or the relevant member of the Group whether salary is paid in lieu of notice or not);
- (c) in the event that the Grantee is an employee of the Group when an Offer is made to him/her and he/she subsequently ceases to be an employee of the Group by reason of a termination of his/her employment on one

or more of the grounds specified in Clause 8(d), his/her option shall lapse automatically (to the extent not already exercised) on the date of cessation of his/her employment with the Group and in the event the Grantee has exercised the Option in whole or in part pursuant to Clause 7.02, but Shares have not been allotted to him/her, the Grantee shall, unless the Board determines otherwise, be deemed not to have so exercised such Option and the Company shall return to the Grantee the amount of the Subscription Price for the Shares in respect of the purported exercise of such Option;

- (d) in the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the Shareholders (or all such holders other than the offeror and/or any persons controlled by the offeror and/or any person acting in association or concert with the offeror) the Company shall use its best endeavours to procure that an appropriate offer is extended to all the Grantee (on comparable terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Options granted to them, as Shareholders). If such offer becoming or being declared unconditional, the Grantee shall, notwithstanding any terms on which his/her Options were granted, be entitled to exercise the Option in full (to the extent not already exercised) at any time within 1 month after the date on which the offer becomes or is declared unconditional;
- (e) in the event of a compromise or arrangement between the Company and the Shareholders or its creditors being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies pursuant to the Companies Law, the Company shall give notice thereof to all the Grantees on the same day as it gives notice of the meeting to the Shareholders or its creditors to consider such a compromise or arrangement and the Options (to the extent not already lapsed or exercised) shall become exercisable in whole or in part on such date not later than 2 business days prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (the "Suspension Date"), by giving notice in writing to the Company in accordance with Clause 7.02, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as practicable and, in any event, no later than 3:00 p.m. on the business day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the Grantee credited as fully paid. With effect from the Suspension Date, the rights of all Grantees to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Shares issued as a result of the

exercise of Options under this Clause 7.03(e) shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of Grantees to exercise their respective Options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any Grantee as a result of such proposal, unless any such loss or damage shall have been caused by the act, neglect, fraud or wilful default on the part of the Company or any of its officers;

- (f) in the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, each Grantee shall be entitled to exercise all or any of his/her Options (to the extent not already lapsed or exercised) at any time not later than 2 business days prior to the proposed general meeting of the Company by giving notice in writing to the Company in accordance with Clause 7.02, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

- 7.04 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions paid or made after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment, save that the Shares allotted upon the exercise of any Option shall not carry any voting rights until the name of the Grantee has been duly entered on the register of members of the Company as the holder thereof.

8. LAPSE OF OPTION

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:–

- (a) the expiry of the Option Period;
- (b) the expiry of any of the periods or the occurrence of the relevant event referred to in Clauses 7.03(a), (b), (d) or (f);
- (c) subject to Clause 7.03(f), the date of the commencement of the winding-up of the Company;
- (d) in the event that the Grantee is an employee of the Group when an Offer is made to him/her and he/she subsequently ceases to be an employee of the Group on any one or more of the grounds that he/she has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offence involving his/her integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his/her employment at common law or pursuant to any applicable laws or under the Grantee's service contract with the Group, the date of cessation of his/her employment with the Group. A resolution of the Board or the board of directors of the relevant member of the Group to the effect that employment of a Grantee has or has not been terminated on one or more of the grounds specified in this Clause 8(d) shall be conclusive and binding on the Grantee;
- (e) the occurrence of any act of bankruptcy, insolvency or entering into of any arrangements or compositions with his/her creditors generally by the Grantee, or conviction of the Grantee of any criminal offence involving his/her integrity or honesty;
- (f) the date on which the Board exercises the Company's right to cancel, revoke or terminate the Option on the ground that the Grantee commits a breach of Clause 7.01 in respect of that or any other Option; and
- (g) where the Grantee is only a substantial shareholder of any member of the Group, the date on which the Grantee ceases to be a substantial shareholder of such member of the Group; or
- (h) subject to the compromise or arrangement as referred to in sub-paragraph 7.03(e) becoming effective, the date on which such compromise or arrangement becomes effective.

9. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 9.01 (a) The aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of the Company if this will result in the limit being exceeded.
- (b) Subject to Clauses 9.01(c) and (d), the maximum number of Shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the Adoption Date (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all the Shares in issue upon the date on which the Shares are listed and permitted to be dealt in the Stock Exchange.
- (c) The 10% limit as mentioned under Clause 9.01(b) may be refreshed at any time by approval of the Shareholders in general meeting provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit. A circular must be sent to the Shareholders containing the information as required under the Listing Rules in this regard.
- (d) Subject to Clause 9.01(a), the Company may seek separate approval by the Shareholders in general meeting for granting options beyond the 10% limit under Clause 9.01(b) and (c) provided the options in excess of the limit are granted only to Participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified persons who may be granted such Options, the number and terms of such Options to be granted and the purpose of granting such Options to the specified persons with an explanation as to how the terms of the Options will serve such purpose and all other information required under the Listing Rules.

- 9.02 The total number of Shares issued and to be issued upon exercise of the Options granted to each Participant (including both exercised and outstanding Options) under the Share Option Scheme or any other share option schemes of the Company in any 12-month period up to date of grant shall not exceed 1% of the Shares in issue. Where any further grant of Options to a Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant must be separately approved by the Shareholders in general meeting with such Participant and his/her close associates abstaining from voting, and the number and terms (including the Subscription Price) of Options to be granted to such Participant must be fixed before the approval of the Shareholders. In such event, the Company must send a circular to the Shareholders containing the identity of the Participant, the number and terms of Options to be granted (and options previously granted to such person) and all other information required under the Listing Rules. The date of meeting of the Board proposing such further grant should be taken as the Offer Date for the purpose of calculating the Subscription Price under Clause 6.
- 9.03 The maximum number of Shares referred to in Clauses 9.01 and 9.02 will be adjusted, in such manner as the Auditors shall certify in writing or the Financial Adviser shall confirm in writing (as the case may be) to the Board to be fair and reasonable in accordance with Clause 10 (no such certification or confirmation is required in case of adjustment made on a capitalisation issue), in the event of any alteration in the capital structure of the Company by way of capitalisation of profits or reserves, rights issue, open offer, consolidation, subdivision or reduction of the share capital of the Company.
- 9.04 Notwithstanding the aforesaid, each grant of Options to a director, chief executive or substantial shareholder of the Company or any of their respective close associates must be approved by the independent non-executive Directors (excluding independent non-executive Director who is the Grantee). Where any grant of Options to a substantial shareholder or an independent non-executive Director or any of their respective close associates would result in the total number of Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) under the Share Option Scheme and any other share option schemes of the Company to such person in any 12-month period up to and including the date of such grant:
- (a) representing in aggregate over 0.1% of the Shares in issue; and
 - (b) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of Options must be approved by the Shareholders at a general meeting of the Company. The Company shall send a circular to the Shareholders containing all information as required under the Listing Rules in this regard. The Grantee, his/her close associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting (except where any core connected person intends to vote against the proposed grant and his/her intention to do so has been stated in the aforesaid circular). Any vote taken at the general meeting to approve the grant of such Options must be taken on a poll. Any change in the terms of an Option granted to a substantial shareholder of the Company or an independent non-executive Director or any of their respective close associates is also required to be approved by Shareholders in the aforesaid manner.

10. REORGANISATION OF CAPITAL STRUCTURE

10.01 In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, open offer, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which any member of the Group is party), such corresponding adjustments (if any) shall be made in:

- (a) the number of Shares subject to the Option so far as unexercised; and/or
- (b) the Subscription Prices of any unexercised Option,

as the Auditors shall certify in writing or the Financial Adviser shall confirm in writing (as the case may be) to the Board to be in their opinion fair and reasonable and in compliance with the relevant provisions of the Listing Rules (or any guideline or supplementary guideline as may be issued by the Stock Exchange from time to time) (no such certification or confirmation is required in case of adjustment made on a capitalisation issue), provided that any such alteration shall give a Grantee as near as possible the same proportion of the issued share capital of the Company as (but in any event shall not be greater than) that to which he/she/it was previously entitled and any such adjustments shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than, except upon any consolidation of the Shares pursuant to this Clause 10) it was before such event, but no adjustment shall be made to the effect of which would be to enable a Share to be issued at less than its nominal value.

The capacity of the Auditors or the Financial Adviser (as the case may be) in this Clause 10 is that of experts and not of arbitrators and their certification or confirmation shall, in the absence of manifest error, be final, conclusive and binding on the Company and the Grantees. The costs of the Auditors or the Financial Adviser (as the case may be) shall be borne by the Company.

Upon any adjustment pursuant to Clause 10.01, the Company shall notify the Grantees in writing the adjustments that have been made. If there has been any alteration in the capital structure of the Company, and if the Company has not yet informed the Grantees of any necessary adjustments to be made to their Options in accordance with the certificate of the Auditors or the confirmation of the Financial Adviser (as the case may be), the Company shall, upon receipt of a notice from a Grantee in accordance with Clause 7.02, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the aforesaid certificate or confirmation obtained by the Company for such purpose or, if no such certificate or confirmation has yet been obtained, inform the Grantee of such fact and instruct the Auditors or the Financial Adviser as soon as practicable thereafter to issue a certificate or provide a written confirmation in that regard in accordance with Clause 10.01.

11. SHARE CAPITAL

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

12. DISPUTES

Any dispute arising in connection with the Share Option Scheme (whether as to the number of Shares, the subject of an Option, the amount of the Subscription Price or otherwise) shall be referred to the decision of the Auditors or the Financial Adviser (as the case may be) who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

13. ALTERATION OF THE SHARE OPTION SCHEME

13.01 The Share Option Scheme may be altered in any respect by resolution of the Board except that the provisions of the Scheme as to:

- (a) the definitions of “Participant” and “Grantee” and “Option Period” in the Share Option Scheme;
- (b) the terms and conditions of the Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules;

shall not be altered to the advantage of Grantees or prospective Grantees except with the prior sanction of the Shareholders by a resolution in general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction such majority of the Grantees as

would be required of the Shareholders under the Articles of Association for a variation of the rights attached to the Shares.

13.02 Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature, or any change to the terms of Options granted, or any change to the authority of the Board in respect of alternations of the Share Option Scheme, must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.

13.03 Notwithstanding anything to the contrary contained in Clauses 13.01 and 13.02, the Board may at any time alter or modify the Share Option Scheme in any way to the extent necessary to cause the Share Option Scheme to comply with any statutory provisions or the regulations of any regulatory or other relevant authority. Any amendment to any terms of the Share Option Scheme or the options granted shall comply with the relevant requirements of Chapter 17 of the Listing Rules.

14. TERMINATION

The Company by resolution in general meeting or the Board may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered but Options granted prior to such termination shall continue to be valid and exercisable in accordance with provisions of the Share Option Scheme.

15. CANCELLATION

Any cancellation of Options granted but not exercised may be effected on such terms as may be agreed with the relevant Grantee, as the Board may in its absolute discretion sees fit and in a manner that complies with all applicable legal requirements for such cancellation. Where the Company cancels Options and issues new ones to the same Grantee, the issue of such new Options may only be made under the Share Option Scheme with available unissued Options (excluding the cancelled Options) and in compliance with the terms of the Share Option Scheme, in particular within the limit approved by the Shareholders and, subject to the maximum number of Shares available for subscription referred to in Clause 9.01.



20 years, young HC!

HC INTERNATIONAL, INC.

慧聪网有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2280)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting ("Meeting") of HC International, Inc. ("Company") will be held on 22 May 2015 at 5:00 p.m. or immediately after the conclusion of its annual general meeting scheduled to be held on 22 May 2015 at 4:00 p.m. at Tower B, Jingyi Technical Building, No. 9 Dazhongsi East Road, Haidian District, Beijing 100098, the People's Republic of China, for the purpose of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

- (a) **"THAT** subject to and conditional upon the granting by the Listing Division of The Stock Exchange of Hong Kong Limited of the listing of and permission to deal in the shares (the "Shares") in the capital of the Company with a par value of HK\$0.1 each to be issued and allotted by the Company under the Share Option Scheme of the Company (the "Share Option Scheme"), the rules of which are set out in a document submitted to the meeting marked "A" and signed for the purpose of identification by the chairman of the meeting, the Share Option Scheme be and is hereby approved and adopted as the Company's share option scheme and the directors of the Company (the "Directors") be and are hereby authorised to take all such steps as they may deem necessary, desirable or expedient to carry into effect, vary or amend the Share Option Scheme subject to the terms of the Share Option Scheme and Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time); and
- (b) **THAT** the Directors be and are hereby authorised to grant options to subscribe for Shares in accordance with the rules of the Share Option Scheme up to a maximum of 10% of the Shares in issue as at the date of passing of this resolution, to issue and allot Shares pursuant to the exercise of the options so granted, to administer the Share Option Scheme in accordance with its terms and to take all necessary actions incidental thereto as the Directors deem fit."

By order of the board of directors of
HC International, Inc.

Guo Jiang

Chief Executive Officer and Executive Director

Beijing, the People's Republic of China, 5 May 2015

* For identification purposes only

NOTICE OF EGM

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorized in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.
3. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
7. Shareholders should note that the transfer books and register of members of the Company will be closed from 19 May 2015 to 22 May 2015, both days inclusive, and no transfer of Shares can be registered during such period. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 18 May 2015.
8. As at the date of this notice of EGM, the board of directors of the Company comprises eight directors, namely: Mr. Guo Fansheng, Mr. Guo Jiang and Mr. Lee Wee Ong as executive directors; Mr. Li Jianguang and Mr. Guo Wei as non-executive directors; Mr. Zhang Ke, Mr. Xiang Bing and Mr. Zhang Tim Tianwei as independent non-executive directors.